

#### Milwaukee Water Works: New 2023 Water Rate Increase for Residential Customers

Milwaukee Water Works is committed to providing safe, affordable drinking water. Providing clean, great-tasting water requires investment to maintain water quality, operations, and provide services.

The <u>Public Service Commission</u> is a regulatory body established by state law that **sets the rates that Milwaukee Water Works charges to all customers**. The PSC established new rates on March 3, 2023.

Total water charges (usage and fees) will increase by 10.12% for the typical residential household using 15 Ccf per quarter, as of April 1, 2023.

#### Water usage rates are calculated by volume:

- Usage is billed in Centum cubic feet (100 cubic feet, or Ccf). One Ccf equals 748 gallons.
- The old rate was \$2.14 per Ccf, or, less than 1/3 of one cent per gallon (\$.0028 per gallon.)
- The PSC has set a new usage rate of \$2.46 per Ccf (\$.0031 per gallon.)

The typical residential customer uses 5 Ccf per person, per quarterly billing cycle. The quarterly increase of \$1.60 per person for typical water usage results in an *annual increase* of \$6.40 per person for the water usage fee. The chart below shows the usage increase for typical households of 1-4 people.

Quarterly usage by	Old rate:	New rate (4/1/23):	Quarterly increase	Annual increase
volume (Ccf)	\$2.14 per Ccf	\$2.46 per Ccf		
5	\$10.70	\$12.30	\$1.60	\$6.40
10	\$21.40	\$24.60	\$3.20	\$12.80
15	\$32.10	\$36.90	\$4.80	\$19.20
20	\$42.80	\$49.20	\$6.40	\$25.60

#### Water Service Charge and Public Fire Protection fee:

Regulations require MWW to assess a fixed **Water Service Charge** and a fixed **Public Fire Protection fee**. These are based on the size of the customer's water meter. For typical residential customers:

- The old Water Service Charge is \$18.52 per quarter.
- The new Water Service Charge has increased by \$2.08, to \$20.60 per quarter.
- The old Public Fire Protection fee is \$9.53 per quarter.
- The Public Fire Protection fee has *decreased* by \$.79, to \$8.74 per quarter.

The chart below indicates the change in **total water charges** for typical residential users per quarter and annually. With all water charges included, there is a quarterly increase of \$6.09, and annual increase of \$24.36, for the typical residential household using 15Ccf.

Quarterly use in Ccf	Water Usage charge increase	Fixed Water Service charge	Fixed Public Fire Protection Fee	Net change in water charges	Total net annual
		increase	decrease	per quarter	increase
5	+ \$1.60	+ \$2.08	-\$.79	+\$2.89	+ \$11.56
10	+ \$3.20	+ \$2.08	-\$.79	+\$4.49	+ \$17.96
15	+ \$4.80	+ \$2.08	-\$.79	+\$6.09	+ \$24.36
20	+ \$6.40	+ \$2.08	-\$.79	+\$7.69	+ \$30.76

## Quarterly Water Charges: Old Charges, 2023 Increase, Net Change, and % Change

# <u>Old</u>

Ccf	Usage (\$2.14)	Service fee	Fire	Total Charges
5	\$10.70	\$18.52	\$9.53	\$38.75
10	\$21.40	\$18.52	\$9.53	\$49.45
15	\$32.10	\$18.52	\$9.53	\$60.15
20	\$42.80	\$18.52	\$9.53	\$70.85

# New (Effective April 1, 2023)

Ccf	Usage (\$2.46)	Service fee	Fire	Total Charges
5	\$12.30	\$20.60	\$8.74	\$41.64
10	\$24.60	\$20.60	\$8.74	\$53.94
15	\$36.90	\$20.60	\$8.74	\$66.24
20	\$49.20	\$20.60	\$8.74	\$78.54

## Net Change

Ccf	Usage	Service fee	Fire	Total Charges
5	\$1.60	\$2.08	-\$.79	\$2.89
10	\$3.20	\$2.08	-\$.79	\$4.49
15	\$4.80	\$2.08	-\$.79	\$6.09
20	\$6.40	\$2.08	-\$.79	\$7.69

#### % Change

Ccf	Usage	Service fee	Fire	<b>Total Charges</b>
5	14.95%	11.23%	- 8.29%	7.45%
10	14.95%	11.23%	- 8.29%	9.08%
15	14.95%	11.23%	- 8.29%	10.12%
20	14.95%	11.23%	- 8.29%	10.85%